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**GOVERNOR O'MALLEY LEADS CELEBRATION OF NEW 50-FOOT-DEEP
BERTH AND SUPERSIZED CRANES AT PORT OF BALTIMORE**

*Public-Private Partnership Project Creates 5,700 Maryland Jobs
Baltimore One of Two East Coast Ports That Can Accommodate Extra Large Ships*

BALTIMORE, MD (May 8, 2013) – Governor Martin O'Malley, joined by Baltimore Mayor Stephanie Rawlings-Blake and private sector partners from Highstar Capital and Ports America Chesapeake, today led celebration of a new 50-foot-deep berth and four supersized container cranes at the Port of Baltimore's Seagirt Marine Terminal. The project is part of a larger public-private partnership (P3) agreement that is supporting 5,700 new jobs and will allow the Port of Baltimore to accommodate larger ships and attract more cargo to Maryland. The new berth and cranes are key elements of the 50-year agreement between the Maryland Department of Transportation's Maryland Port Administration (MPA) and Highstar Capital's Ports America Chesapeake to lease and operate the 200-acre Seagirt Marine Terminal. Under the agreement, Ports America Chesapeake has daily operational control of Seagirt, but the state continues to own the facility.

"This new 50-foot-deep berth and these cranes were absolutely critical to the long-term future of the Port of Baltimore, enabling Maryland to retain existing business and jobs while allowing us to accommodate new business and create new jobs that will come aboard the larger ships that are on the horizon," said Governor O'Malley. "Through our collaboration with Ports America, we're moving the Port of Baltimore forward, creating jobs and connecting our State with cities and ports half a world away. This project puts the Port of Baltimore in an excellent competitive position when the Panama Canal expansion is completed in 2015 -- a project that will literally change the face of the maritime shipping business."

This P3 project and partnership between the MPA and Ports America Chesapeake is expected to generate up to \$1.8 billion in total investment and revenue for the State of Maryland over the life of the agreement. It also will generate \$15.7 million per year in new taxes for Maryland. The 5,700 jobs created by this agreement include: 3,000 jobs to build the new berth for the Port of Baltimore and for related Maryland highway projects, and another 2,700 jobs to handle the anticipated increased container business that the Port will begin to see very soon.

"The Seagirt P3 is an important milestone. For Maryland it is creating 5,700 jobs and continuing the leadership of the Port of Baltimore," said Christopher H. Lee, Founder and Managing Partner of Highstar Capital. "The longer term economic benefits to our state are immense. For America, it shows that the public sector and the private sector can truly partner together on a win-win basis to bring our infrastructure back to the world class levels we last enjoyed in the 1960's without onerous tax hikes and hard political choices between investment, jobs and the health and welfare of all Americans. I thank Governor O'Malley for his extraordinary leadership in setting an example for all 50 states and once again proving that in Maryland, we get things done, the right way."

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PORT OF BALTIMORE ONE OF ONLY TWO PORTS TO ACCOMMODATE MEGA-SHIPS

Currently, a large percentage of ships use West Coast ports, requiring manufacturers to send products by rail to markets throughout the country. With the completion of the Panama Canal expansion in two years, it is expected that a larger number of ships, including new mega-ships, will travel to East Coast ports that have the infrastructure to accommodate them in order to reach customers more quickly and less expensively.

With a 50-foot-deep berth, the mega-ships that are becoming the norm in the maritime industry will have enough water depth to dock and bring additional business to the Port of Baltimore. Baltimore is now only the second East Coast port to have both a 50-foot-deep channel and 50-foot-deep berth to accommodate these larger ships. The new cranes will allow the Port of Baltimore to maximize the efficiency of these new mega-ships.

The berth was completed in 2012, two years ahead of its original schedule. Four supersized cranes, known in the maritime industry as Super Post-Panamax, were purchased by Ports America Chesapeake for \$40 million - \$10 million for each crane. The cranes arrived at the Port of Baltimore in June 2012 and became operational in January. Each crane is 400-feet tall with the boom fully raised, can reach 22 containers across on a ship and can lift 187,500 pounds of cargo. Each crane weighs 1,550 tons and is fully electric so it emits no diesel emissions.

“This new investment in port infrastructure is an important step forward to help grow our local economy and to secure the Port of Baltimore’s future for years to come,” said Mayor Rawlings-Blake. “Combined with other private, state, and city port-related infrastructure investments, our port will be poised for major growth, new jobs, and surging economic activity in the Baltimore region.”

P3 AGREEMENT

As part of the 50-year agreement between the MPA and Ports America Chesapeake announced by Governor O’Malley in November 2009, Ports America Chesapeake constructed the 50-foot berth and is investing in other necessary infrastructure at Seagirt, saving the State hundreds of millions of dollars it would have had to invest in capital improvements. Also under the agreement, Ports America Chesapeake will make an annual payment to the State and provide ongoing revenues to the MPA during the life of the agreement. As the previous owner of Seagirt Marine Terminal, the Maryland Transportation Authority -- the State agency responsible for managing Maryland’s eight toll facilities -- received an immediate payment in excess of \$100 million that it is investing in the system preservation of its existing road, bridge and tunnel facilities.

In addition to full control over daily operations of Seagirt and the obligation to design and build the 50-foot-deep berth within MPA’s required standards, Ports America Chesapeake receives:

- a known future base payment for 50 years and all net revenues;
- the right to move and consolidate all current container business to Seagirt;
- control over timing and nature of system preservation costs as long as standards are met; and
- the ability to invest in new technology as it sees fit.

This unique P3 project has become a model for the nation and has won two prestigious awards: ‘North American Logistics Deal of the Year’ from Project Finance Magazine and ‘North American Infrastructure Deal of the Year’ from Infrastructure Investor Magazine.

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P3 LEGISLATION

The Ports America Chesapeake P3 project played a key role in laying the ground work for the future of P3 projects in Maryland along with the Joint Legislative and Executive Commission on Oversight of P3s that was chaired by Lt. Governor Anthony G. Brown. Thanks to Lt. Governor Brown's leadership, Maryland's P3 legislation was signed into law last month. This legislation provides the private sector with a stronger, more predictable and streamlined process for future P3 projects. It also protects public assets, ensures a strong workforce, requires competitive bidding for all projects and allows the private sector to submit new "unsolicited" concepts to address Maryland's infrastructure needs.

With the new P3 legislation, Maryland's is ready to take the lead on another priority put forth by President Obama by actively looking at P3s for other transportation projects. Right now, Maryland is exploring P3 as possibility for the next generation of transit in the Red Line in Baltimore and the Purple Line in the Washington region. Lt. Governor Brown is leading a P3 industry forum on the Purple Line transit project on May 15th.

"From this great P3 project at the Port of Baltimore to other projects across the State, the opportunities are endless to partner with the private sector to deliver long-overdue transportation projects," said Lt. Governor Brown. "We will look at the merits of each project to see if it works as a public-private partnership. Our current focus is to attract strong, competitive proposals for Maryland's first new transit lines in decades. The goal is to move projects like the Purple Line and Red Line forward so that we can create jobs and connect and improve our communities."

PORT SETS RECORD BUSINESS ACHIEVEMENTS

The Port of Baltimore had a record year in 2012, including: general cargo from the port's public marine terminals (9.59 million tons—up eight percent from 2011); autos (652,000 cars – most in the U.S. and up 18 percent from 2011); farm and construction machinery (1.09 million tons—most in the U.S. and up 16 percent from 2011); containers (6.29 million tons—up seven percent); and coal (19.6 million tons of exported coal—up two percent from 2011). The Port's public and private marine terminals saw 36.8 million tons of cargo cross their docks in 2012. The total dollar value amount of that cargo was more than \$54 billion, the Port's highest dollar value ever.

The Port of Baltimore is ranked as the top port among 360 U.S. ports for handling autos and light trucks, farm and construction machinery, imported forest products, imported sugar, imported aluminum and imported gypsum. Baltimore ranks second in the U.S. for exported coal and imported iron ore. Overall, Baltimore is ranked ninth for the total dollar value of cargo and 11th for cargo tonnage. Business at the Port of Baltimore generates about 14,630 direct jobs, while about 108,000 jobs in Maryland are linked to port activities. The Port is responsible for \$3 billion in personal wages and salary and more than \$300 million in state and local taxes.

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